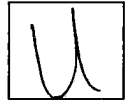


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-20459A
Utility Systems, LLC
173 S. Blackfoot Rd.
Payson, AZ 85541

RECEIVED

OCT 18 2010

ACC UTILITIES DIRECTOR

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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PROCESSED BY:

10-28-10

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Utility Systems, LLC.

Mailing Address HC2 Box 164-H

(Street)

Payson

(City)

Arizona

(State)

85541

(Zip)

(928) 478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Service@ArizonaRim.com

Local Office Mailing Address: HC2 Box 164-H

(Street)

Payson

(City)

Arizona

(State)

85541

(Zip)

(928-478-0010)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Service@ArizonaRim.com

MANAGEMENT INFORMATION

Management Contact: Jeff Daniels Manager/Member

(Name)

(Title)

HC2 Box 164-H

(Street)

Payson

(City)

Arizona

(State)

85541

(Zip)

(928) 478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

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Email Address Service@ArizonaRim.com

On Site Manager: Jeff Daniels

(Name)

HC2 Box 164-H

(Street)

Payson

(City)

Arizona

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85541

(Zip)

(928) 478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Service@ArizonaRim.com

Statutory Agent: Jeff Daniels

(Name)

HC2 Box 164-H
(Street)

Payson
(City)

Arizona
(State)

85541
(Zip)

(928) 478-0010

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co-op (A)**

☐ **Receivership (R)**

☒ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☒ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME: Utility Systems, LLC.

Name of System: Christopher Creek Haven

ADEQ Public Water System Number: 04-005

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$553	\$0.00	\$553.00
302	Franchises	\$0.00	\$0.00	\$0.00
303	Land and Land Rights	\$14,614	\$0.00	\$14,614.00
304	Structures and Improvements	\$13,832	\$3,684.84	\$10,147.00
305	Collecting & Impounding Reservoirs	\$0.00	\$0.00	\$0.00
306	Lake, River and Other Intakes	\$0.00	\$0.00	\$0.00
307	Wells and Springs	\$17,045	\$4,540.79	\$12,504.21
309	Supply Mains	\$0.00	\$0.00	\$0.00
310	Power Generation Equipment	\$0.00	\$0.00	\$0.00
311	Pumping Equipment	\$20,480	\$20,480	\$0.00
320	Water Treatment Equipment	\$5,436	\$5,436	\$0.00
330	Distribution Reservoirs and Standpipes	\$45,640	\$18,256	\$27,384
331	Transmission and Distribution Mains	\$35,522	\$5,683.52	\$29,838.48
333	Services	\$14,824	\$3,949.11	\$10,874.89
334	Meters	\$17,668	\$11,773.96	\$5,894.04
335	Hydrants	\$0.00	\$0.00	\$0.00
336	Backflow Prevention Devices	\$0.00	\$0.00	\$0.00
339	Other Plant and Misc. Equipment	\$5,335	\$2,846.76	\$2,488.24
340	Office Furniture and Equipment	\$3,539	\$1,888.41	\$1,650.59
341	Transportation Equipment	\$15,057	\$15,057	\$0.00
342	Stores Equipment	\$0.00	\$0.00	\$0.00
343	Tools, Shop and Garage Equipment	\$5,693	\$2,277.20	\$3,415.80
344	Laboratory Equipment	\$0.00	\$0.00	\$0.00
345	Power Operated Equipment	\$26,067	\$10,426.80	\$15,640.20
346	Communication Equipment	\$0.00	\$0.00	\$0.00
347	Miscellaneous Equipment	\$0.00	\$0.00	\$0.00
348	Other Tangible Plant	\$0.00	\$0.00	\$0.00
	TOTALS	\$241,305	(\$52,381.15)	\$276,077.82

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Utility Systems, LLC.

Name of System: Gardner Water

ADEQ Public Water System Number: 04-038

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$0.00	\$0.00	\$0.00
302	Franchises	\$0.00	\$0.00	\$0.00
303	Land and Land Rights	\$331	\$0.00	\$331
304	Structures and Improvements	\$490	\$381.86	\$108.14
305	Collecting & Impounding Reservoirs	\$0.00	\$0.00	\$0.00
306	Lake, River and Other Intakes	\$0.00	\$0.00	\$0.00
307	Wells and Springs	\$13,896	\$8,884.63	\$5,011.37
309	Supply Mains	\$0.00	\$0.00	\$0.00
310	Power Generation Equipment	\$0.00	\$0.00	\$0.00
311	Pumping Equipment	\$6,585	\$6,585	\$0.00
320	Water Treatment Equipment	\$0.00	\$0.00	\$0.00
330	Distribution Reservoirs and Standpipes	\$6,615	\$6,391.75	\$223.25
331	Transmission and Distribution Mains	\$13,281	\$13,281	\$0.00
333	Services	\$6,228	\$6,228	\$0.00
334	Meters	\$3,091	\$3,091	\$0.00
335	Hydrants	\$0.00	\$0.00	\$0.00
336	Backflow Prevention Devices	\$0.00	\$0.00	\$0.00
339	Other Plant and Misc. Equipment	\$0.00	\$0.00	\$0.00
340	Office Furniture and Equipment	\$2,419	\$1,452.13	\$966.87
341	Transportation Equipment	\$0.00	\$0.00	\$0.00
342	Stores Equipment	\$0.00	\$0.00	\$0.00
343	Tools, Shop and Garage Equipment	\$779	\$779	\$0.00
344	Laboratory Equipment	\$0.00	\$0.00	\$0.00
345	Power Operated Equipment	\$967	\$967	\$0.00
346	Communication Equipment	\$0.00	\$0.00	\$0.00
347	Miscellaneous Equipment	\$0.00	\$0.00	\$0.00
348	Other Tangible Plant	\$0.00	\$0.00	\$0.00
	TOTALS	\$54,682	\$48,041.37	\$6,640.63

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Utility Systems, LLC.

Name of System: Christopher Creek Haven

ADEQ Public Water System Number: 04-005

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$553	0%	\$0.00
302	Franchises	\$0.00	0%	\$0.00
303	Land and Land Rights	\$14,614	0%	\$0.00
304	Structures and Improvements	\$13,832	3.33%	\$460.61
305	Collecting & Impounding Reservoirs	\$0.00	2.50%	\$0.00
306	Lake, River and Other Intakes	\$0.00	2.50%	\$0.00
307	Wells and Springs	\$17,045	3.33%	\$567.60
309	Supply Mains	\$0.00	2.00%	\$0.00
310	Power Generation Equipment	\$0.00	5.00%	\$0.00
311	Pumping Equipment	\$20,480	12.50%	\$2,560.00
320	Water Treatment Equipment	\$5,436	20.00%	\$0.00
330	Distribution Reservoirs and Standpipes	\$45,640	5.00%	\$2,282.00
331	Transmission and Distribution Mains	\$35,522	2.00%	\$710.44
333	Services	\$14,824	3.33%	\$493.64
334	Meters	\$17,668	8.33%	\$1,471.74
335	Hydrants	\$0.00	2.00%	\$0.00
336	Backflow Prevention Devices	\$0.00	6.67%	\$0.00
339	Other Plant and Misc. Equipment	\$5,335	6.67%	\$355.84
340	Office Furniture and Equipment	\$3,539	6.67%	\$236.05
341	Transportation Equipment	\$15,057	20.00%	\$0.00
342	Stores Equipment	\$0.00	4.00%	\$0.00
343	Tools, Shop and Garage Equipment	\$5,693	5.00%	\$284.65
344	Laboratory Equipment	\$0.00	10.00%	\$0.00
345	Power Operated Equipment	\$26,067	5.00%	\$1,303.35
346	Communication Equipment	\$0.00	5.00%	\$0.00
347	Miscellaneous Equipment	\$0.00	10.00%	\$0.00
348	Other Tangible Plant	\$0.00	0	\$0.00
	TOTALS	\$295,987		\$10,725.92

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME: Utility Systems, LLC.

Name of System: Gardner Water

ADEQ Public Water System Number: 04-038

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$0.00	0%	\$0.00
302	Franchises	\$0.00	0%	\$0.00
303	Land and Land Rights	\$331	0%	\$0.00
304	Structures and Improvements	\$490	3.33%	\$13.32
305	Collecting & Impounding Reservoirs	\$0.00	2.50%	\$0.00
306	Lake, River and Other Intakes	\$0.00	2.50%	\$0.00
307	Wells and Springs	\$13,896	3.33%	\$462.74
309	Supply Mains	\$0.00	2.00%	\$0.00
310	Power Generation Equipment	\$0.00	5.00%	\$0.00
311	Pumping Equipment	\$6,585	12.50%	\$0.00
320	Water Treatment Equipment	\$0.00	20.00%	\$0.00
330	Distribution Reservoirs and Standpipes	\$6,615	5.00%	\$330.75
331	Transmission and Distribution Mains	\$13,281	2.00%	\$0.00
333	Services	\$6,228	3.33%	\$0.00
334	Meters	\$3,091	8.33%	\$0.00
335	Hydrants	\$0.00	2.00%	\$0.00
336	Backflow Prevention Devices	\$0.00	6.67%	\$0.00
339	Other Plant and Misc. Equipment	\$0.00	6.67%	\$0.00
340	Office Furniture and Equipment	\$2,419	6.67%	\$161.35
341	Transportation Equipment	\$0.00	20.00%	\$0.00
342	Stores Equipment	\$0.00	4.00%	\$0.00
343	Tools, Shop and Garage Equipment	\$779	5.00%	\$0.00
344	Laboratory Equipment	\$0.00	10.00%	\$0.00
345	Power Operated Equipment	\$967	5.00%	\$0.00
346	Communication Equipment	\$0.00	5.00%	\$0.00
347	Miscellaneous Equipment	\$0.00	10.00%	\$0.00
348	Other Tangible Plant	\$0.00	0	\$0.00
	TOTALS	\$54,682		\$971.15

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$2,329.59	\$4352.78
134	Working Funds	\$0.00	\$0.00
135	Temporary Cash Investments	\$0.00	\$0.00
141	Customer Accounts Receivable	\$6,113.73	\$7385.42
146	Notes/Receivables from Associated Companies	\$0.00	\$0.00
151	Plant Material and Supplies	\$0.00	\$0.00
162	Prepayments	\$0.00	\$0.00
174	Miscellaneous Current and Accrued Assets	\$-93.00	\$594.06
	TOTAL CURRENT AND ACCRUED ASSETS	\$8,350.32	\$12,332.26
	FIXED ASSETS		
101	Utility Plant in Service	\$328,458.97	\$328,458.97
103	Property Held for Future Use	\$0.00	\$0.00
105	Construction Work in Progress	\$0.00	\$0.00
108	Accumulated Depreciation – Utility Plant	-\$52,381.15	-\$100,422.52
121	Non-Utility Property	\$0.00	\$0.00
122	Accumulated Depreciation – Non Utility	\$0.00	\$0.00
	TOTAL FIXED ASSETS	\$276,077.82	\$228,036.45
	TOTAL ASSETS	\$284,428.14	\$240,368.71

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$4,738.71	\$4,123.63
232	Notes Payable (Current Portion)	\$0.00	\$0.00
234	Notes/Accounts Payable to Associated Companies	\$0.00	\$4.36
235	Customer Deposits	\$0.00	\$0.00
236	Accrued Taxes	\$393.60	\$926.76
237	Accrued Interest	\$0.00	\$0.00
241	Miscellaneous Current and Accrued Liabilities	\$3.13	\$0.00
	TOTAL CURRENT LIABILITIES	\$5,129.18	\$5054.75
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$218,080.53	\$199,502.38
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0.00	\$0.00
252	Advances in Aid of Construction	\$0.00	\$0.00
255	Accumulated Deferred Investment Tax Credits	\$0.00	\$0.00
271	Contributions in Aid of Construction	\$0.00	\$0.00
272	Less: Amortization of Contributions	\$0.00	\$0.00
281	Accumulated Deferred Income Tax	\$0.00	\$0.00
	TOTAL DEFERRED CREDITS	\$0.00	\$0.00
	TOTAL LIABILITIES	\$223,209.71	\$204,557.13
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$0.00	\$0.00
211	Paid in Capital in Excess of Par Value	\$0.00	\$0.00
215	Retained Earnings	-\$31,941.03	-\$24,188.42
218	Proprietary Capital (Sole Props and Partnerships)	\$93,159.46	\$60,000.00
	TOTAL CAPITAL	\$61,218.43	\$35,811.58
	TOTAL LIABILITIES AND CAPITAL	\$284,428.14	\$240,368.71

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$80,411.55	\$82,762.67
460	Unmetered Water Revenue	\$0.00	\$0.00
474	Other Water Revenues	\$2,589.88	\$3,314.16
	TOTAL REVENUES	\$83,001.43	\$86,999.08
	OPERATING EXPENSES		
601	Salaries and Wages	\$23,025.27	\$21,908.65
610	Purchased Water	\$0.00	\$0.00
615	Purchased Power	\$5,445.34	\$4,893.25
618	Chemicals	\$450.86	\$517.38
620	Repairs and Maintenance	\$4,840.76	\$6,702.08
621	Office Supplies and Expense	\$2,094.58	\$1,645.56
630	Outside Services	\$1,227.05	\$2,332.58
635	Water Testing	\$2,339.05	\$2,412.04
641	Rents	\$0.00	\$0.00
650	Transportation Expenses	\$5,049.04	\$4,646.86
657	Insurance – General Liability	\$0.00	\$0.00
659	Insurance - Health and Life	\$0.00	\$0.00
666	Regulatory Commission Expense – Rate Case	\$0.00	\$1.97
675	Miscellaneous Expense (& Bad Debt)	\$198.60	\$614.14
403	Depreciation Expense	\$20,952.50	\$11,697.05
408	Taxes Other Than Income	\$0.00	\$0.00
408.11	Property Taxes	\$4,549.64	\$4,003.41
409	Income Tax	\$0.00	\$0.00
	TOTAL OPERATING EXPENSES	\$70,172.69	\$61,374.97
	OPERATING INCOME/(LOSS)	\$12,828.74	\$25,624.11
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$15.35	\$14.95
421	Non-Utility Income	\$0.00	\$0.00
426	Miscellaneous Non-Utility Expenses	\$0.00	\$0.00
427	Interest Expense	\$-17,079.83	\$-14,668.46
	TOTAL OTHER INCOME/(EXPENSE)	\$-17,064.48	\$-14,653.51
	NET INCOME/(LOSS)	\$-4235.74	\$10,970.60

COMPANY NAME: Utility Systems, LLC.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	8-18-06	8-18-06	8-18-06	5-5-07
Source of Loan	Powell	Lendzion	Lendzion	Americredit
ACC Decision No.	69421	69421	69582	
Reason for Loan	Company Aquisition	Company Aquisition	Company Aquisition	Company Transportation
Dollar Amount Issued	\$78,479.74	\$76,500.00	\$65,000.00	\$37,029.54
Amount Outstanding	\$54,639.10	\$65,662.14	\$55,789.70	\$23,411.44
Date of Maturity	6-1-2015	8-18-2021	8-18-2021	4-5-2013
Interest Rate	7%	7%	7%	10.5%
Current Year Interest	\$3,757.58	\$4,327.68	\$3,677.02	\$2,906.18
Current Year Principle	\$7,118.23	\$3,235.92	\$2,749.62	\$5,474.38

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME: Utility Systems, LLC.

Name of System: Christopher Creek Haven

ADEQ Public Water System Number: 04-005

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-800363	1.5	20	60	6	1	1958
55-800362	1.5	6	300	6	3/4	1978
55-512286	5.0	35	430	6	3/4	2004
55-543032	1.5	20	100	6	1	1994

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1.5	1		
2.0	2		
3.0	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
80	1	80	5
5,000	2	5,000	1
10,000	3		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Utility Systems, LLC.	
Name of System: Gardner Water	ADEQ Public Water System Number: 04-038

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-631406	3.5	30	100	8	1.5	1960
55-627384	2.0	30	325	6	1	1999

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		3000	1
		2000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Utility Systems, LLC.

Name of System: Christopher Creek Haven

ADEQ Public Water System Number: 04-005

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	<u>Galvanized</u>	<u>5416</u>
3	<u>Galvanized</u>	<u>555</u>
4	<u>Galvanized</u>	<u>4050</u>
5	<u>0</u>	<u>0</u>
6	<u>0</u>	<u>0</u>
8	<u>0</u>	<u>0</u>
10	<u>0</u>	<u>0</u>
12	<u>0</u>	<u>0</u>
2	<u>PVC</u>	<u>390</u>

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	<u>172</u>
3/4	<u>0</u>
1	<u>0</u>
1 1/2	<u>0</u>
2	<u>0</u>
Comp. 3	<u>0</u>
Turbo 3	<u>0</u>
Comp. 4	<u>0</u>
Turbo 4	<u>0</u>
Comp. 6	<u>0</u>
Turbo 6	<u>0</u>

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

4 – Liquid Chlorine Feed Pumps

3 – Filter Units

STRUCTURES:

4- Pump Sheds

4 – Small Plastic Well Head Sheds

1- Tool Shed

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Utility Systems, LLC.	
Name of System: Gardner Water	ADEQ Public Water System Number: 04-038

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	poly	7946
3	poly	3200
4	0	0
5	0	0
6	0	0
8	0	0
10	0	0
12	0	0
1.5	poly	150

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	94
3/4	0
1	0
1 1/2	0
2	0
Comp. 3	0
Turbo 3	0
Comp. 4	0
Turbo 4	0
Comp. 6	0
Turbo 6	0

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

2- Pump Sheds

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Utility Systems, LLC.	
Name of System: Christopher Creek Haven	ADEQ Public Water System Number: 04-005

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	169	161	191	0
FEBRUARY	169	143	175	0
MARCH	169	152	180	0
APRIL	169	219	249	0
MAY	169	393	429	0
JUNE	169	347	381	0
JULY	169	509	547	0
AUGUST	169	621	654	0
SEPTEMBER	169	313	348	0
OCTOBER	169	244	275	0
NOVEMBER	169	276	302	0
DECEMBER	169	284	314	0
TOTALS →		3662	4045	0

What is the level of arsenic for each well on your system? <0.001 mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for N/A hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

☒ (X) Yes ☐ () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ () Yes ☒ (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ () Yes ☒ (X) No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Utility Systems, LLC.	
Name of System: Gardner Water	ADEQ Public Water System Number: 04-038

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	93	49	58	0
FEBRUARY	93	39	49	0
MARCH	93	48	58	0
APRIL	93	80	93	0
MAY	93	125	140	0
JUNE	93	129	144	0
JULY	93	254	281	0
AUGUST	93	296	325	0
SEPTEMBER	93	136	148	0
OCTOBER	93	77	87	0
NOVEMBER	93	94	104	0
DECEMBER	93	65	73	0
TOTALS →		1392	1560	0

What is the level of arsenic for each well on your system? <0.0012 mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for N/A hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Utility Systems, LLC.	
Name of System: Gardner Water	ADEQ Public Water System Number: 04-038

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME: Utility Systems, LLC.	
Name of System: Christopher Creek Haven	ADEQ Public Water System Number: 04-005

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME: Utility Systems, LLC.

YEAR ENDING 12/31/2009

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2008 was: \$2,409.88

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Gila
NAME (OWNER OR OFFICIAL) TITLE Jeff Daniels Member/Manager
COMPANY NAME Utility Systems, LLC.

RECEIVED
COUNTY CLERK
ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SIGNATURE OF OWNER OR OFFICIAL

(928) 478-0010

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

--

DAY OF

COUNTY NAME

MONTH

, 20__

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

COMPANY NAME: Utility Systems, LLC.

YEAR ENDING 12/31/2009

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

5-18-10
DATE

Jeffery T Daniels
PRINTED NAME

Member/Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Gila
NAME (OWNER OR OFFICIAL) TITLE
Jeff Daniels Member/Manager
COMPANY NAME
Utility Systems, LLC.

RECEIVED
JAN 20 2010
ACCUTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$86,924.13

(THE AMOUNT IN BOX ABOVE
INCLUDES \$0.00
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL
(928) 478-0010
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**

COUNTY NAME	
MONTH	.20__

(SEAL)

MY COMMISSION EXPIRES _____

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
607-478-0010
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

Gila	
Jeff Daniels	Member/Manager
Utility Systems, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$86,924.13

**THE AMOUNT IN BOX AT LEFT
INCLUDES \$0.00
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

(928) 478-0010
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	.20__

(SEAL)

MY COMMISSION EXPIRES

X

SIGNATURE OF NOTARY PUBLIC